

CITY COUNCIL REPORT



Meeting Date: January 13, 2015
General Plan Element: *Land Use*
General Plan Goal: *Support a diversity of businesses.*

ACTION

Microbrewery Liquor License Request for Fate Brewing Co. 133-LL-2014. To consider forwarding a recommendation of approval to the Arizona Department of Liquor Licenses and Control for a Series 3 (microbrewery) State liquor license for a new location and new owner.

OWNER

Fate Brewing Company South, LLC

APPLICANT CONTACT

John Steven McFate

LOCATION

1312 N Scottsdale Rd

BACKGROUND

This request is for a Series 3 (microbrewery) liquor license.

The distance to the nearest school, Interity Education Center, is 1,888 feet.

The distance to the nearest religious facility, Rock Church, is 2,300 feet.

See Attachment #3 for number and graphic representation of licenses within a one half-mile radius of this location.

APPLICANT'S PROPOSAL

The applicant is seeking a favorable recommendation on a Series 3 (microbrewery) liquor license. This non-transferable liquor license allows for on and off sale retail privileges for a licensed microbrewery which produces more than five thousand gallons, and less than one million two hundred forty thousand gallons of beer during the 12 month reporting period. With this license, the microbrewery may sell beer produced or manufactured on the premises for consumption on or off the premises (no other spirituous liquors), may make sales and deliveries of beer to persons licensed to sell beer, may serve beer produced or manufactured on the premises for the purpose of sampling.

PETITIONS FROM PERSONS IN CLOSE PROXIMITY

The applicant has maintained the required posting notice for the State mandated 20-day period. No petitions or protests pursuant to A.R.S. 4-201.b. were received during the 20 (twenty) day posting period.

IMPACT ANALYSIS

Current Planning Department Development Information.

This establishment is 10,636 sq. ft. in size, including a proposed 3,940 sq. ft. patio.

A.R.S. Section 4-112.B.1.; R19-1-310 State Criteria for Restaurant Operations.

This owner intends to operate this location as a restaurant. Staff has assessed the applicant's responses to the State's Restaurant Operation Plan categories: Personnel, Equipment, Menu, Live Entertainment, Bar Games/Televisions, Name of Establishment, Bar Seating Area and Dinnerware. Staff finds that the establishment is designed and intended to operate as a restaurant. The bar service area is 459 sq. ft. or 7% of gross floor area, and the kitchen area is 1,064 sq. ft. or 16% of the gross floor area. The operational characteristics and floor plan qualify as a restaurant.

Outdoor Patio.

The proposed patio, on the east side of the building is 3,940 sq. ft. and does not encroach into the adjacent pedestrian walkway. There is a minimum 6 ft. clearance for pedestrian access.

Zoning.

This site is zoned Highway Commercial District (C-3). The C-3 district allows restaurants/retail sales as a permitted use. The applicant has been notified of the City's expectation that the business will operate as a restaurant as defined by City Code.

Parking.

A total of 95 spaces are required for this use and 128 spaces are provided on site. Parking is in compliance with the zoning ordinance.

Public Safety Division

Police Department: Recommendation No Opposition

Major life safety issues: None noted.

Code Enforcement: There are no current cases of code violations at this time in relation to the

liquor license.

STATE GUIDELINES FOR CONSIDERING AN APPLICATION

A.R.S. Section 4.-203.A Granting a License for a New Owner for a Certain Location.

A spirituous liquor license shall be issued only after satisfactory showing of the capability, qualifications and reliability of the applicant.

A.R.S. Section 4-112.B.1; R19-1-102 Criteria for Granting a License for a Certain Location

The local governing authorities and the Department of Liquor Licenses & Control may consider the following criteria in determining whether public convenience requires and that the best interest of the community will be substantially served by the issuance or transfer of a liquor license at a particular unlicensed location:

1. Petitions and testimony from persons who are in favor of or opposed to the issuance of a license, and who reside in, own or lease property in close proximity.
2. The number and series of licenses in close proximity.
3. Evidence that all necessary licenses and permits have been obtained from the state and all other governing bodies.
4. The residential and commercial population of the community and its likelihood of increasing, decreasing or remaining static.
5. Residential and commercial population density in close proximity.
6. Evidence concerning the nature of the proposed business, its potential market, and its likely customers.
7. Effect on vehicular traffic in close proximity.
8. The compatibility of the proposed business with other activity in close proximity.
9. The effect or impact of the proposed premises on business or the residential neighborhood whose activities might be affected by granting the license.
10. The history for the past five years of liquor violations and reported criminal activity at the proposed premises provided that the applicant has received a detailed report(s) of such activity at least 20 days before the hearing by the Board.
11. Comparison of the hours of operation of the proposed premises to the existing businesses in close proximity.
12. Proximity to licensed childcare facilities as defined by A.R.S. 36-881.

COUNCIL OPTIONS & STAFF RECOMMENDATION

Council Options

The City Council has the option of recommending approval, denial or no recommendation to the Arizona Department of Liquor Licenses and Control.

Staff Recommendation

The City of Scottsdale staff has conducted a review and advises that the license request meets the criteria imposed for determining that the community's best interest is substantially served by the issuance of the liquor license and advises that the license request meets the criteria imposed for

determining the capability, qualifications and reliability of the applicant.

Next Steps

The City Council's recommendation of approval, denial or no recommendation will be forwarded to the Department of Liquor Licenses and Control for their consideration. If the application is approved by the Department of Liquor Licenses and Control, the applicant should receive their license from the State within 105 days of original application.

RESPONSIBLE DEPARTMENT(S)

Teri Gleason, Planning Assistant, tgleason@scottsdaleaz.gov
Planning and Development Services

James Wasson, Lieutenant, Special Assignment, jwasson@scottsdaleaz.gov
Public Safety Division

Raun Keagy, Neighborhood Planning Director, rkeagy@scottsdaleaz.gov
Planning and Development Services

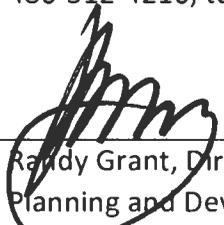
APPROVED BY



Tim Curtis, AICP, Current Planning Director
480-312-4210, tcurtis@scottsdaleaz.gov



Date



Randy Grant, Director
Planning and Development Services
480-312-2664, rgrant@scottsdaleaz.gov



Date

ATTACHMENTS

- #1: Aerial Map
- #2: Close-up Aerial Map
- #3: Graphic – Liquor License Locations Within Half-Mile
- #4: City of Scottsdale Applicant Questionnaire
- #5: State Application



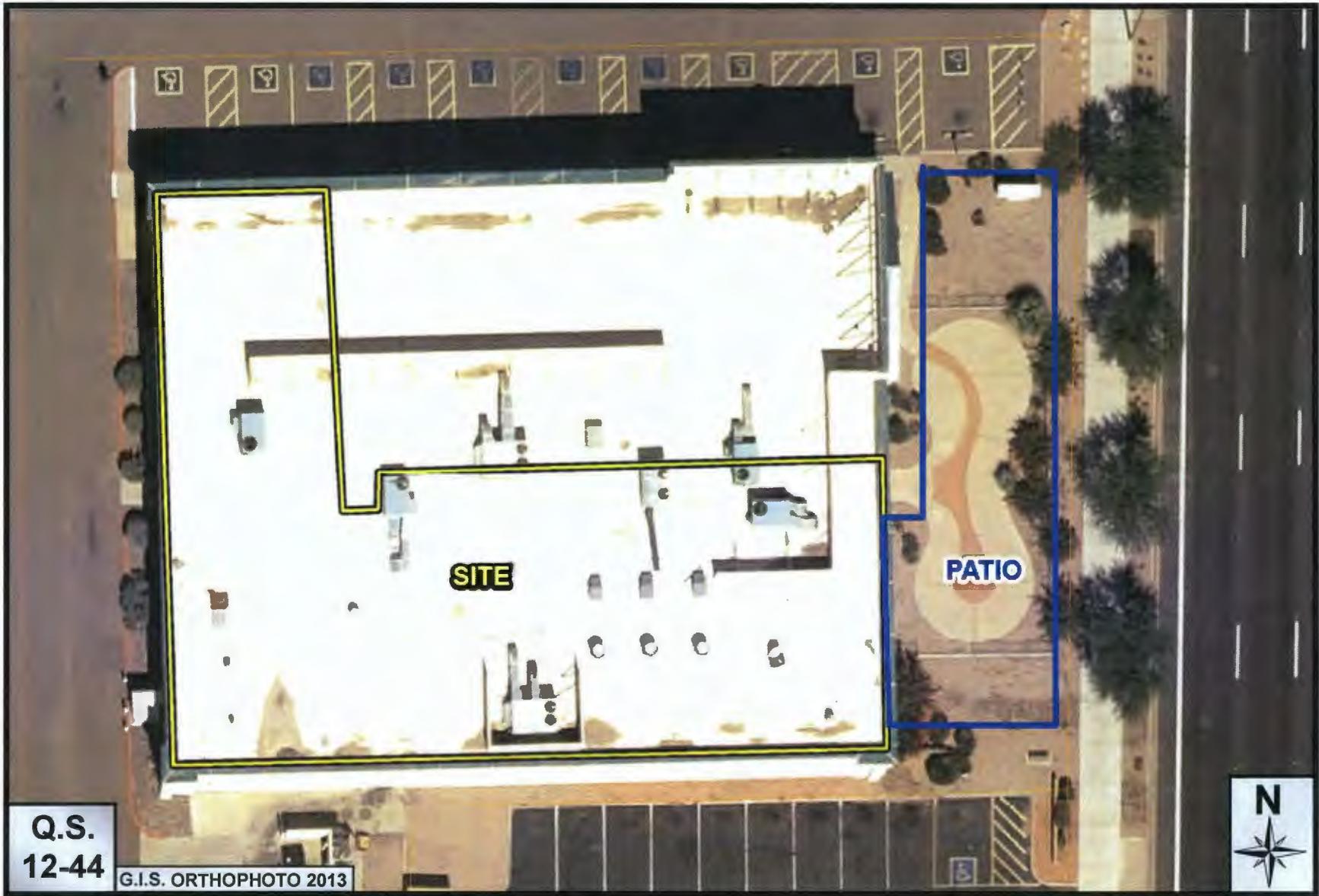
Q.S.
12-44

G.I.S. ORTHOPHOTO 2013

133-LL-2014

Fate Brewing Co

ATTACHMENT #1



Q.S.
12-44

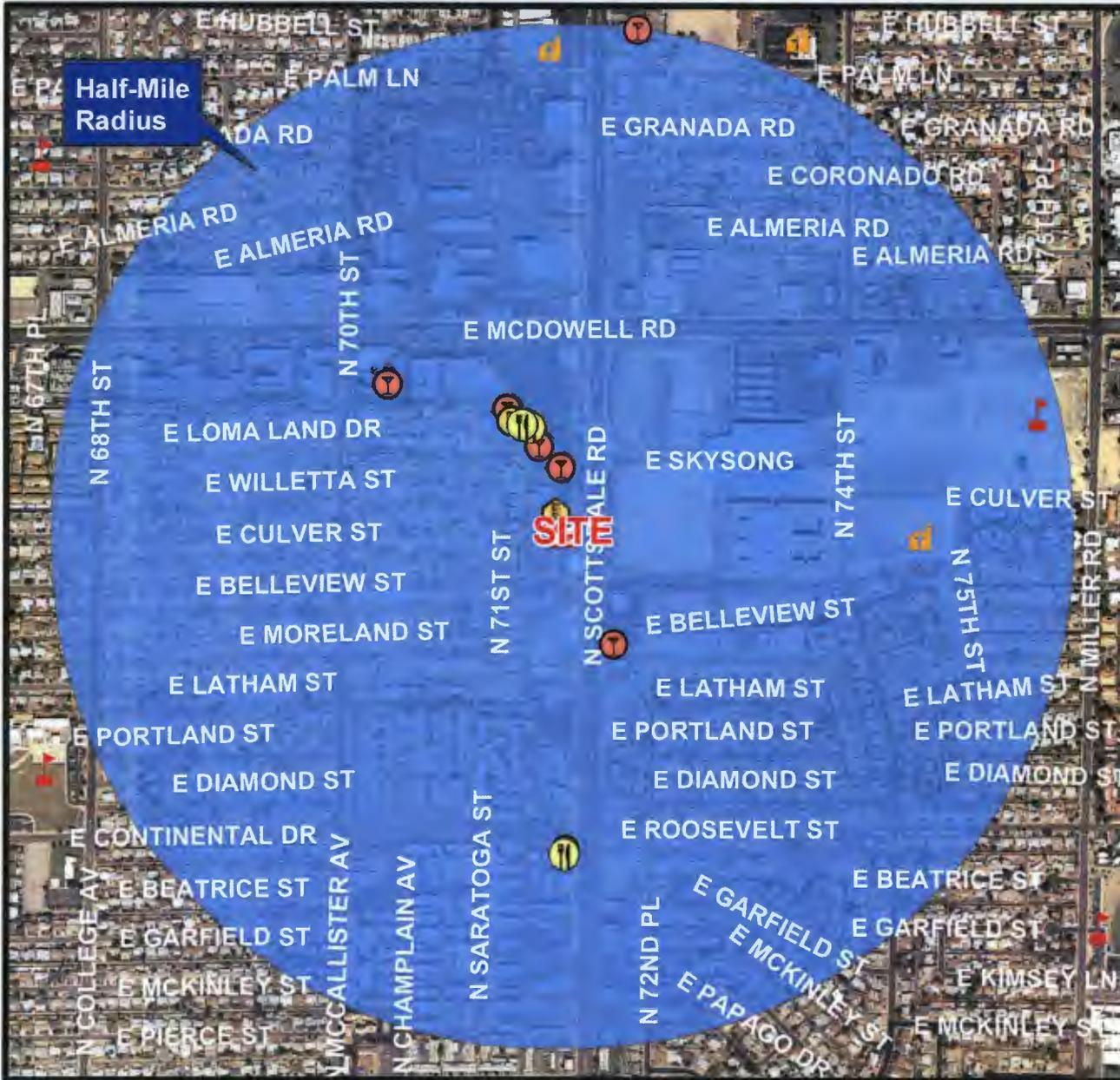
G.I.S. ORTHOPHOTO 2013

132-LL-2014

Fate Brewing Co

ATTACHMENT #2

Liquor Licenses Within A Half-Mile Radius of 1312 N SCOTTSDALE RD



LEGEND

-  Place of Worship
-  School

Licensed Locations, Count by Series Within a half-mile radius of site

-  0 - Microbrewery
-  8 - Bar
-  1 - Beer/Wine Bar
-  0 - Liquor Store
-  1 - Beer/Wine Store
-  4 - Restaurant

Date: 12/19/2014

Total Licenses in Half-Mile Buffer = 14

Note: Liquor License location information is from the Arizona Dept. of Liquor Licenses and Control, and may not represent the exact location of establishments. Data is updated regularly and this map is sometimes printed weeks prior to City Council meetings.



133-LL-2014

ATTACHMENT #3



Liquor License Questionnaire

Packaged Retail, Wholesale, Manufacturing (Series 1, 2, 4, 9,10)

Please complete all questions and return within 3 business days.

Name of Business: Fate Brewing Company South LLC

Business Address: 1312 N. Scottsdale Road, Scottsdale, AZ 85257

Type of Business (packaged retail, wholesale, manufacturing) Brew on-site brewpub

Total Gross Square Footage of Establishment: 3,490

Was liquor sold at this location prior to this application? Yes No

If **yes**, what type of license? _____

Is this business currently open? Yes No

If **yes**, is this business operating with an interim license? Yes No

If **no**, what is the proposed opening date? April 1, 2015

Is this business under construction? Yes No

Is this being remodeled? Yes No

Does this business have a drive thru window? Yes No

Applicant Narrative:

ARS 4-201-G: In all proceedings before the governing body of a city or town, the Board of Supervisors of a County or the Board, the applicant bears the burden of showing that the public convenience requires and that the best interest of the community will be substantially served by the issuance of this license.

1. I have the capability, qualifications and reliability to hold a liquor license because:

I have successfully owned and operated a small restaurant and brewery in North Scottsdale for the past two years. This location also maintains series 3 and 12 liquor licenses, so I am well versed in all the accompanying requirements and Arizona Title 4 statutes.

2. The public convenience requires and the best interest of the community will be substantially served by the issuance of the liquor license because:

I will provide a viable business in an area of South Scottsdale with many commercial vacancies. With limited dining and gathering options in the area, the brewery and restaurant will fill a void and I hope to play a significant role in revitalizing this underserved community.

3. Please describe your business:

Microbrewery with associated restaurant serving award winning beer and delicious food in a family friendly environment.

Planning and Development Services

7447 E. Indian School Road, Suite 105, Scottsdale, AZ 85251 ♦ Phone: 480-312-7000 ♦ Fax: 480-312-7088



Liquor License Questionnaire

Packaged Retail, Wholesale, Manufacturing (Series 1, 2, 4, 9,10)

Please complete all questions and return within 3 business days.

The City's forwarding of a recommendation to the AZ Department of Liquor Licenses and Control does not waive and is not a substitute for the Licensee's obligation to comply with all state, local and federal laws, policies and regulations applicable to the license. The Recommendation is not a permit or regulatory approval to hold any events or construct or demolish any improvements. Zoning processes, building permit processes, and similar regulatory requirements may apply to Licensee's contemplated Improvements and are completely separate from the Recommendation. Licensee shall be responsible to, separate and apart from this Recommendation, directly obtain all necessary permits and approvals from any and all governmental or other entities including the City's having standing or jurisdiction over the subject areas. For more information regarding zoning processes, building permit processes, and similar regulatory requirements and approvals please call 480-312-2611.

Print Name: John Steven McFate Signature:  Date: 12/2/2014

Submit

Planning and Development Services

7447 E. Indian School Road, Suite 105, Scottsdale, AZ 85251 ♦ Phone: 480-312-7000 ♦ Fax: 480-312-7088

Arizona Department of Liquor Licenses and Control
800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

APPLICATION FOR LIQUOR LICENSE
TYPE OR PRINT WITH BLACK INK

133-LL-2014

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- MORE THAN ONE LICENSE
INTERIM PERMIT Complete Section 5
NEW LICENSE Complete Sections 2, 3, 4, 13, 14, 15, 16
PERSON TRANSFER (Bars & Liquor Stores ONLY) Complete Sections 2, 3, 4, 11, 13, 15, 16
LOCATION TRANSFER (Bars and Liquor Stores ONLY) Complete Sections 2, 3, 4, 12, 13, 15, 16
PROBATE/WILL ASSIGNMENT/DIVORCE DECREE Complete Sections 2, 3, 4, 9, 13, 16 (fee not required)
GOVERNMENT Complete Sections 2, 3, 4, 10, 13, 15, 16

SECTION 2 Type of ownership:

- J.T.W.R.O.S. Complete Section 6
INDIVIDUAL Complete Section 6
PARTNERSHIP Complete Section 6
CORPORATION Complete Section 7
LIMITED LIABILITY CO. Complete Section 7
CLUB Complete Section 8
GOVERNMENT Complete Section 10
TRUST Complete Section 6
OTHER (Explain)

SECTION 3 Type of license and fees

LICENSE #(s):

03073089

1. Type of License(s): In-state Microbrewery

2. Total fees attached:

Department Use Only
\$ 100.00

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant

1. Owner/Agent's Name: Mr. McFate John Steven
Ms. Last First Middle

2. Corp./Partnership/L.L.C.: Fate Brewing Company South, L.L.C.
(Exactly as it appears on Articles of Inc. or Articles of Org.)

3. Business Name: Fate Brewing Company
(Exactly as it appears on the exterior of premises)

4. Principal Street Location: 1312 N. Scottsdale Rd. Scottsdale Maricopa 85257
(Do not use PO Box Number) City County Zip

5. Business Phone: Pending Daytime Phone: 480-760-1222 Email: steve@fatebrewing.com

6. Is the business located within the incorporated limits of the above city or town? YES NO

7. Mailing Address: 7340 E. Main St., Suite 200, Scottsdale AZ 85251
City State Zip

8. Price paid for license only bar, beer and wine, or liquor store: Type \$ Type \$

DEPARTMENT USE ONLY

Fees: 100 Application Interim Permit Site Inspection Finger Prints \$ 100.00
TOTAL OF ALL FEES

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? YES NO

Accepted by: [Signature] Date: 11-25-14 Lic. # 03073089

SECTION 5 Interim Permits Lic. Lic. # 2 20

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. _____
4. Is the license currently in use? YES NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER,
 (Print full name)
 MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

State of _____ County of _____

X _____
 (Signature)

The foregoing instrument was acknowledged before me this

My commission expires on: _____

_____ day of _____, _____
 Day Month Year

 (Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Mailing Address	City State Zip

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Mailing Address	City State Zip
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						

) Y R A S S E C E N F I T

2. Is any person, other than the above, going to share in the profits/losses of the business? YES NO
 If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Mailing Address	City, State, Zip	Telephone#

SECTION 7 Corporation/ Limited Liability Co. 20

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

- CORPORATION **Complete questions 1, 2, 3, 5, 6, 7, and 8.**
 L.L.C. **Complete 1, 2, 4, 5, 6, 7, and 8.**

1. Name of Corporation/L.L.C.: Fate Brewing Company South, L.L.C.
 (Exactly as it appears on Articles of Incorporation or Articles of Organization)
2. Date Incorporated/Organized: 08/15/2014 State where Incorporated/Organized: Arizona
3. AZ Corporation Commission File No.: _____ Date authorized to do business in AZ: _____
4. AZ L.L.C. File No: L-1946262-4 Date authorized to do business in AZ: 08/15/2014
5. Is Corp./L.L.C. Non-profit? YES NO
6. List all directors, officers and members in Corporation/L.L.C.:

Last	First	Middle	Title	Mailing Address	City State Zip
JSM Brewing, L.L.C.			Member	7337 E. Shea Blvd., Scottsdale, AZ 5260	
MTM Brewing, L.L.C.			Member	7340 E. Main St. Suite 200, Scottsdale, AZ 85251	
McFate, John Steven			Manager	7337 E. Shea Blvd., Scottsdale, AZ 85260	

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

Last	First	Middle	% Owned	Mailing Address	City State Zip
See entity flow chart attached					

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

SECTION 8 Club Applicants:

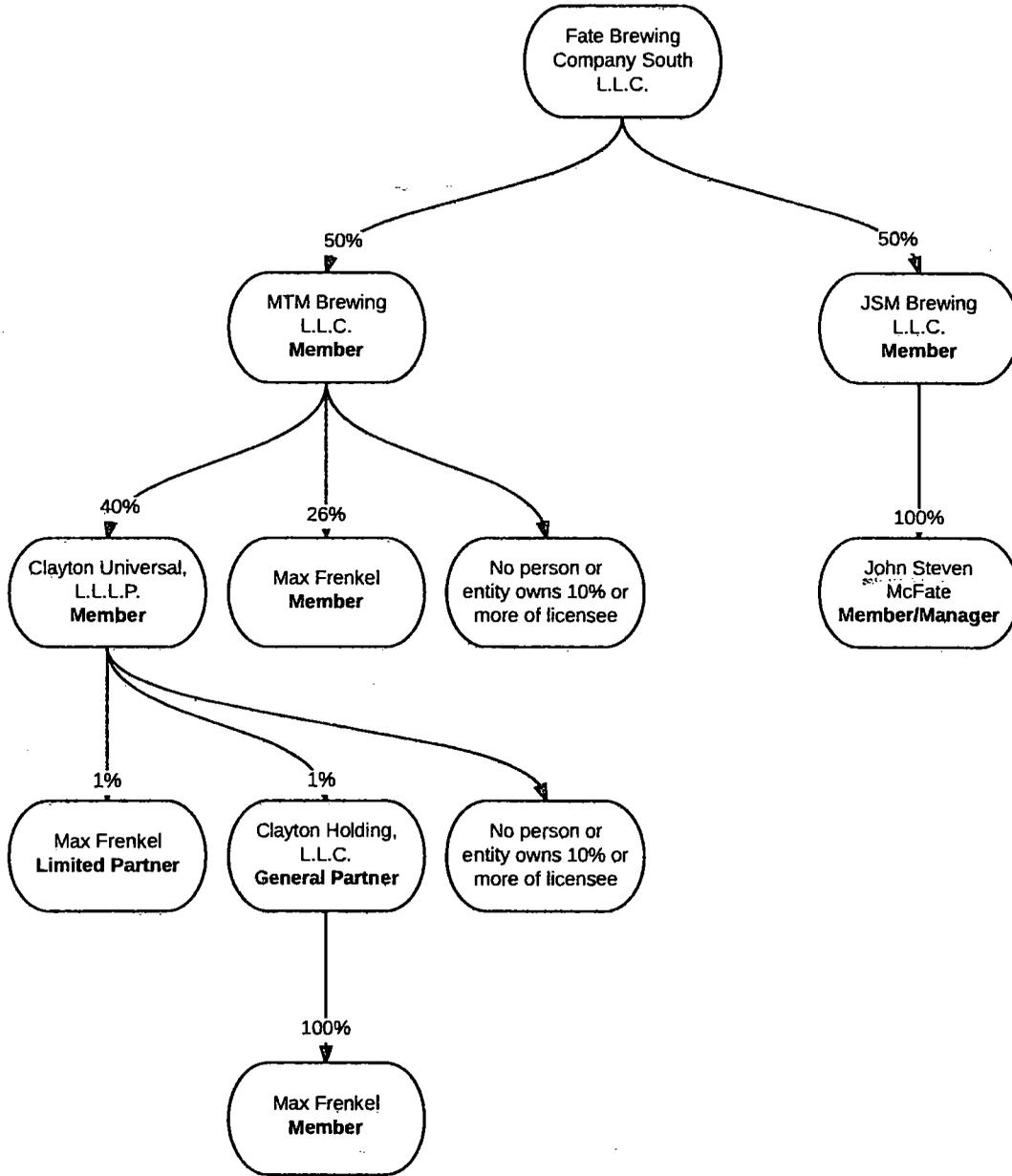
EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
 (Exactly as it appears on Club Charter or Bylaws) (Attach a copy of Club Charter or Bylaws)
2. Is club non-profit? YES NO
3. List officer and directors:

Last	First	Middle	Title	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

Fate Brewing Company South L.L.C. Entity Flow Chart



SECTION 13 - continued 14 NOV 25 17:15 PM 2020

- 7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year?
 YES NO If yes, attach explanation.
- 8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business? YES NO
- 9. Is the premises currently licensed with a liquor license? YES NO If yes, give license number and licensee's name:
 License # _____ (exactly as it appears on license) Name _____

SECTION 14 Restaurant or hotel/motel license applicants:

- 1. Is there an existing restaurant or hotel/motel liquor license at the proposed location? YES NO
 If yes, give the name of licensee, Agent or a company name:
 _____ and license #: _____
Last First Middle
- 2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.
- 3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.
- 4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this hotel/motel restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit www.azliquor.gov and click on the "Information" tab.

applicants initials

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

- 1. Check ALL boxes that apply to your business:
 Entrances/Exits Liquor storage areas Patio: Contiguous
 Service windows Drive-in windows Non Contiguous
- 2. Is your licensed premises currently closed due to construction, renovation, or redesign? YES NO
 If yes, what is your estimated opening date? 04/01/214
month/day/year
- 3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.
- 4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spiritous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).
- 5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

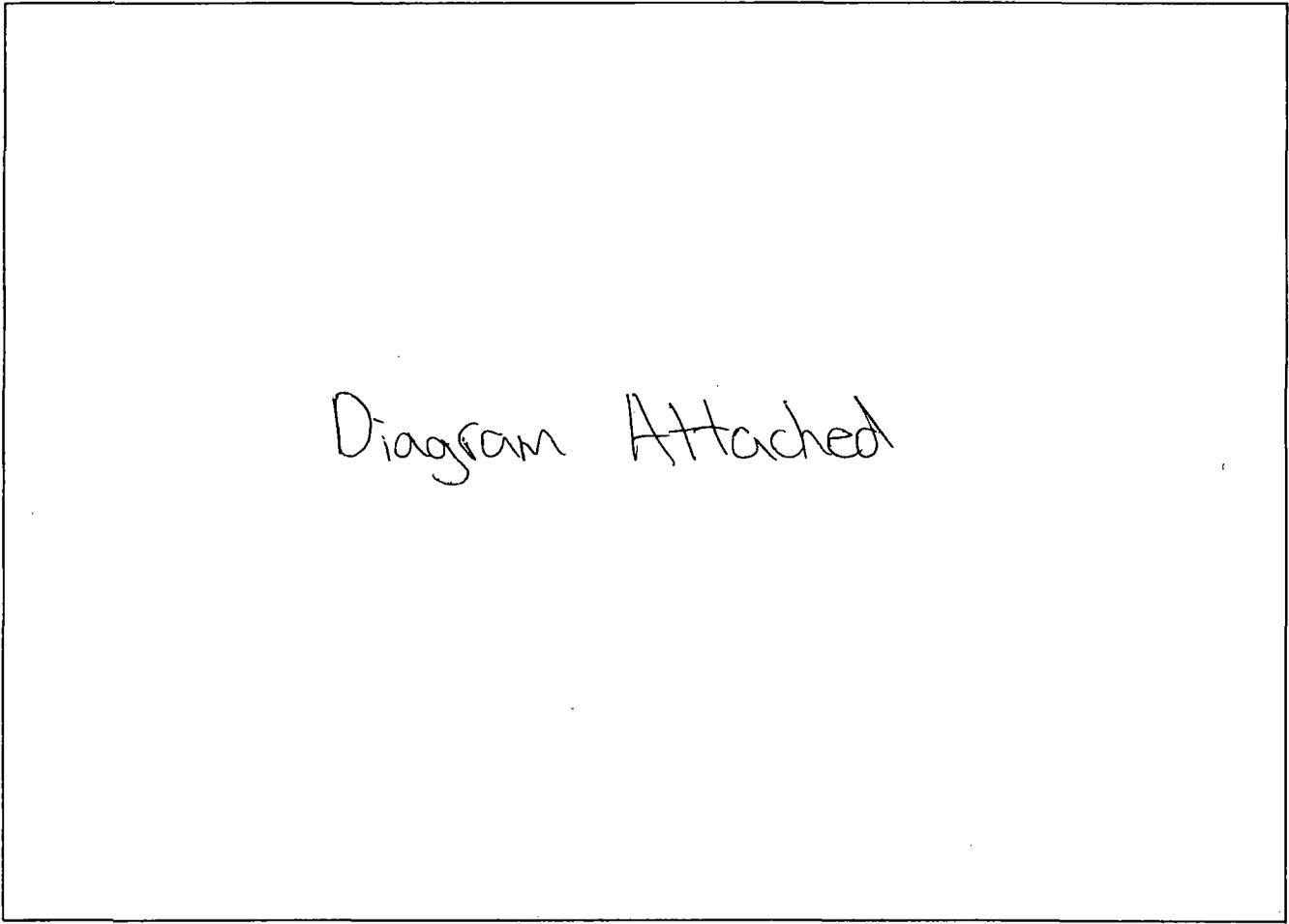


applicants initials

SECTION 15 Diagram of Premises

4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.



14 NOV 25 11:47:03 AM '20

SECTION 16 Signature Block

I, John Steven McFate, hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

X [Signature]
(signature of applicant listed in Section 4, Question 1)

State of Arizona County of Maricopa

The foregoing instrument was acknowledged before me this 25th of November, 2014
Day Month Year

My commission expires on: 23-11-2016
Day Month Year

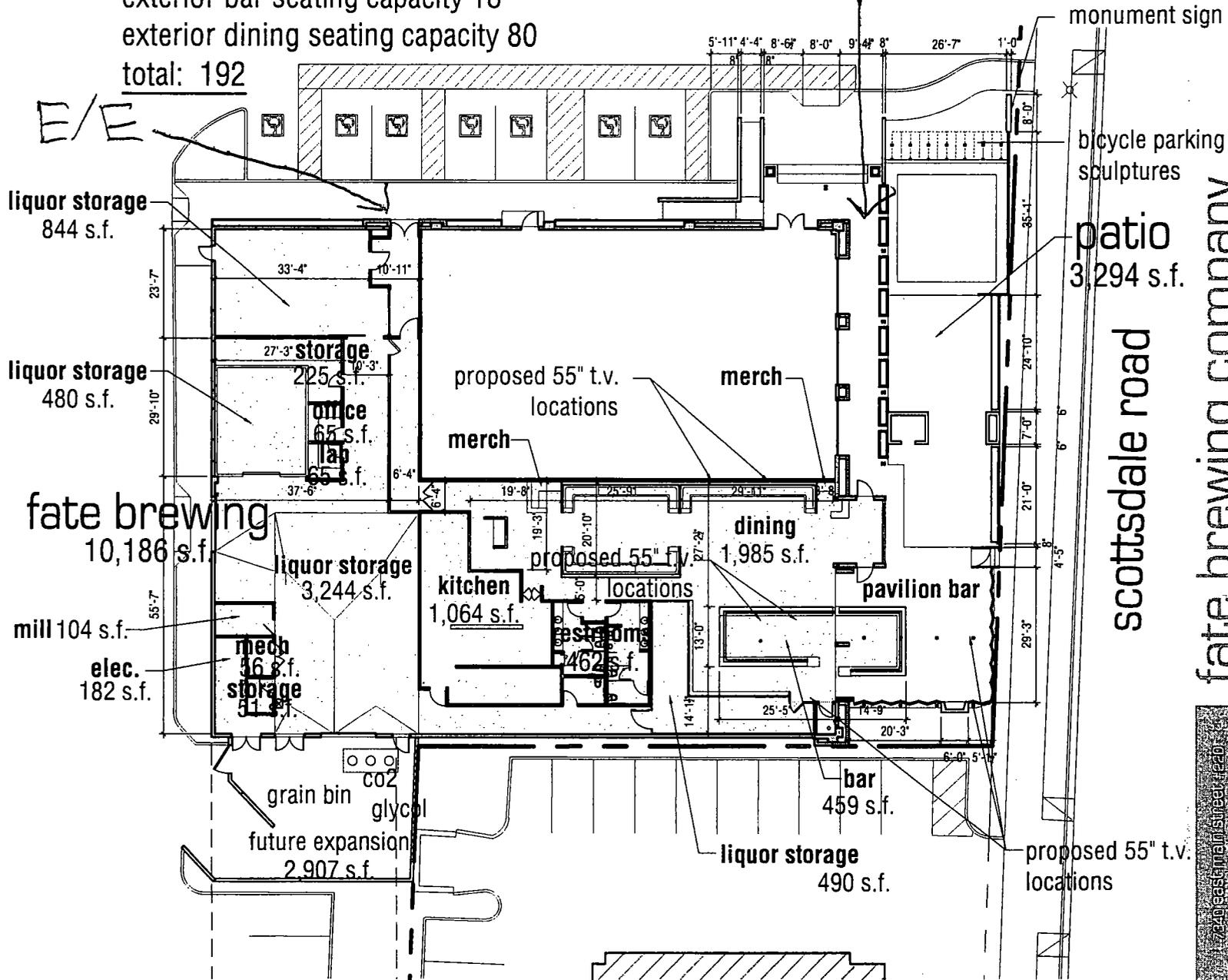
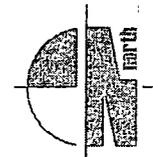
[Signature]
signature of NOTARY PUBLIC



liquor license floor plan

pr-01

interior dining seating capacity 68
 interior bar seating capacity 26
 exterior bar seating capacity 18
 exterior dining seating capacity 80
total: 192



monument sign
 bicycle parking sculptures
 patio 3,294 s.f.

scottsdale road

fate brewing company
 1312 n. scottsdale rd., scottsdale, az 85257
 date: november 24, 2014
 scale: 1/32" = 1'-0"
 area: 10,186 s.f.

14 NOV 23 04
 14 NOV 25 04, LIC PM 2 20

240 east main street, 2nd floor
 scottsdale, az 85261
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architecture concepts
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